

Minutes

Reorganisation Board Meeting

26 March 2025

Via Teams

1. Apologies

No apologies were received.

The notes of the meeting held on 12 March 2025 were agreed.

2. Letter from Minister

A letter had been received from the Minister to confirm they had received the proposed interim plans from Surrey Councils. Feedback on the plans was expected by the end of the next week, though it was doubtful that clarity would be provided on whether a two or three unitary configuration should be pursued. To date, Surrey County Council had focused on a two-unitary configuration with a majority of Surrey Districts and Boroughs focusing on a three-unitary configuration.

Datasets were being prepared to assist in refining the future business case for further final submission(s) in May. Officers and members from all different authorities were meeting to consider various workstreams.

Cllr Sexton advised that Surrey Political Leaders with the exception of the Conservatives all supported three unitaries.

3. Options for 3 Unitaries

Three options for three unitary configurations would be presented to Surrey Leaders at their meeting on Friday. Spelthorne's political Group Leaders agreed that the third option, which placed Spelthorne with Runnymede and Elmbridge, was the most

preferable. Direction on this would also assist in how evidence for future submission(s) would be prepared. The final submission would be due by 9 May, with a majority of Surrey Councils having Extraordinary Council Meetings to confirm their stance in the week before.

4. Transformation – BVI Directions to the Authority

The Minister had set out a number of proposed directions to SBC to address the findings of the Best Value Inspection Report. There was some uncertainty about when the directives would take effect, and when the Council was expected to act on these directives. However, as some of the directives in the report also mirrored recommendations in the Grant Thornton Audit findings, work that addressed some of the directives was already being undertaken. The Board noted that this could be the case for a number of points set out, but felt that others would require direct input and guidance from the commissioners, if they were appointed.

DCM advised the board that the Council had been liaising with the LGA, and in light of the BVI report, the LGA had offered the Council a £50k grant to assist in meeting the recommendations set out by the Minister. The board agreed they were comfortable with the Council accepting the grant.

The Board noted the range of powers the Commissioners would have if appointed to the Council, and a majority felt that it would be prudent to begin examine discretionary spending and impact on Council services. Councillor Nichols felt that it would be useful to also review landlord costs, given how significant the figures are.

Clarity was sought on next steps for the Sinking Funds Model. Members were advised that the model had been refreshed and ownership was with the Interim Chief Accountant. Two external reviews of the model would take place to test the robustness of its function and assumptions. Meanwhile, Assets and Finance were also exploring whether Argus, a software tool already used by the Assets team, could be utilised for the Sinking Funds modelling.

However, officers were mindful that they did not want to undertake too much work without the involvement of commissioners to provide steer.

A demonstration of the Argus software would take place for the Commercial Assets Sub-Committee at their meeting on 31 March 2025.

Conversations would take place with external auditors and stakeholders to understand possible MRP shortfalls.

The Board was supportive of officers mapping some of the anticipated work and creating a Gantt chart of what could be addressed until the Ministry provided further clarity on possible intervention measures. This would be presented at the next meeting. Members would then provide officers with an indication of anticipated direction of travel or specific actions they felt should be undertaken.